

**House File 2181 - Introduced**

HOUSE FILE 2181

BY BYRNES

**A BILL FOR**

1 An Act relating to school district funding by designating  
2 certain revenues for student instructional expenditures and  
3 requiring school districts to establish a supplemental state  
4 aid instructional expenditure fund.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 298A.2A Supplemental state aid  
2 instructional expenditure fund.

1. For the purposes of enhancing student learning by improving the instructional environment, each school corporation shall establish a supplemental state aid instructional expenditure fund. The supplemental state aid instructional expenditure fund is a special revenue fund.

2. For each budget year beginning on or after July 1, 2017, for which the state percent of growth established under section 257.8, subsection 1, is equal to or exceeds four percent, each school corporation shall transfer from the school corporation's general fund to the school corporation's supplemental state aid instructional expenditure fund, an amount of foundation aid received in accordance with section 257.16 equal to the amount calculated under subsection 3, to be used in that budget year for instructional expenditures for students enrolled in grades kindergarten through twelve.

18       3. The amount required to be transferred from the school  
19 corporation's general fund to the supplemental state aid  
20 instructional expenditure fund shall equal one percent of  
21 the regular program state cost per pupil for the base year  
22 multiplied by the budget enrollment of the school corporation  
23 for the budget year.

24 4. a. For the purposes of this section, "*instructional*  
25 *expenditures*" means any of the following:

- 26       (1) Textbooks, as defined in section 301.1.  
27       (2) Library books.  
28       (3) Materials for a lending library, consisting of print and  
29 nonprint materials.  
30       (4) Other instructional materials and equipment used  
31 directly by students.

32        *b. "Instructional expenditures"* do not include the salary,  
33        benefits, or other compensation of any school corporation  
34        employee.

### EXPLANATION

1           The inclusion of this explanation does not constitute agreement with  
2           the explanation's substance by the members of the general assembly.

3       This bill requires each school corporation to establish a  
4 supplemental state aid instructional expenditure fund. The  
5 bill designates the supplemental state aid instructional  
6 expenditure fund as a special revenue fund.

7       Under the bill, for each budget year beginning on or after  
8 July 1, 2017, for which the state percent of growth is equal  
9 to or exceeds 4 percent, each school corporation is required  
10 to transfer from the school corporation's general fund to the  
11 school corporation's supplemental state aid instructional  
12 expenditure fund an amount of state foundation aid received  
13 that is equal to an amount specified in the bill, to be  
14 used in that budget year for instructional expenditures for  
15 students enrolled in grades kindergarten through 12. The  
16 amount required to be transferred from the school corporation's  
17 general fund to the supplemental state aid instructional  
18 expenditure fund is equal to 1 percent of the regular program  
19 state cost per pupil for the base year multiplied by the budget  
20 enrollment of the school corporation for the budget year.

21       The bill defines "instructional expenditures" to mean any of  
22 the following: (1) print and electronic textbooks; (2) library  
23 books; (3) materials for a lending library, consisting of print  
24 and nonprint materials; and (4) other instructional materials  
25 and equipment used directly by students. The bill excludes  
26 the salary, benefits, or other compensation of any school  
27 corporation employee from the definition of instructional  
28 expenditures.